

Greetings Councilmembers

Thank you for all you have done for our county during this pandemic, and I know you have a long road ahead. I would like to address the lack of information we currently have on the actual tax revenue impact from Covid-19 actions and what that means for the Board of Education operating budget going forward. So far, the request for a higher MCPS budget is still in place, and Marc Elrich has proposed increasing the property tax rate to help cover that increase. I know you have or will hear lots of testimony about that, so I wanted to hone in on what we do know about the revenue hit so far. The Comptroller of Maryland produced a forecast of a \$2.8 billion hit to state revenues if the current situation continues until fiscal year end, June 30. That is a 5% reduction to tax revenues. If the county were to see something like that, I think we will need to have a discussion about how we will even be able to fund the maintenance of effort. I have run the numbers, and it could be a \$500 million+ impact to the MCPS budget through fiscal 2021 if current distribution percentages are held flat. I believe it is imperative that the County Council proactively address the impending budget crunch and prepare for how that will impact the MCPS operating budget. I believe a full operational audit of MCPS should be performed to help with these efforts. This should hopefully identify areas where money could be better spent.

Thank you,
Stephen Austin